



Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 06-11, New York City Income Tax Withholding

Date: May 5, 2006

To: Holders of TAXES (State of New York only)
Personnel User Groups
T&A Contact Points in New York

Beginning with wages paid for Pay Period 9, the National Finance Center (NFC) will change the Single or Head of Household and Married withholding tables for New York City income tax withholdings.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page (www.nfc.usda.gov) and click **Pubs & Forms**. Then on the Pubs & Forms page left-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504-255-4630**.

MARK J. HAZUDA, Director
Government Employees Services Division

New York City Income Tax Information

State/City Codes

36/4170

City Tax Status

Residence mandatory

Withholding Formula ►(Effective Pay Period 9, 2006)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment from the amount computed in step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
5. Determine the standard deduction allowance by applying the following guideline and subtract this amount from the annual wages.

Single/Head of Household

\$5,000

Married

\$5,500

6. Determine the exemption allowance by applying the following guideline and subtract this amount from the result of step 5 to obtain the taxable income.

Exemption Allowance = \$1,000 x Number of Exemptions

7. Apply the taxable income computed in step 6 to the following table to determine the annual New York City tax withholding:

Tax Withholding Table

Single

or

Head of Household

If the Amount of Taxable Income Is:

Over:

But Not Over:

\$ 0 \$ 8,000
8,000 8,700
8,700 15,000
15,000 25,000
25,000 60,000
60,000 ►and over ◄

The Amount of New York City Tax Withholding Should Be:

Of Excess Over:

\$ 0 plus 1.90% \$ 0
152 plus 2.65% 8,000
171 plus 3.10% 8,700
366 plus 3.70% 15,000
736 plus 3.90% 25,000
2,101 plus 4.00% 60,000

Married

If the Amount of Taxable Income Is:

Over:

But Not Over:

\$ 0 \$ 8,000

The Amount of New York City Tax Withholding Should Be:

Of Excess Over:

\$ 0 plus 1.90% \$ 0

Married						
Over:	But Not Over:				Of Excess Over:	
8,000	8,700	152	plus	2.65%	8,000	
8,700	15,000	171	plus	3.10%	8,700	
15,000	25,000	366	plus	3.70%	15,000	
25,000	60,000	736	plus	3.90%	25,000	
60,000	▶and over ◀	2,101	plus	4.00%	60,000	

8. Divide the annual New York City tax withholding by 26 to obtain the biweekly New York City tax withholding.